

June 12, 1990

# BRIEFING PAPER

## PROPOSED AGREEMENT FOR CONSTRUCTION ENGINEERING SERVICES BETWEEN PUEBLO OF LAGUNA AND LANDMARK RECLAMATION, INCORPORATED

### I. BACKGROUND

The December 5, 1986 Cooperative Agreement between the Bureau of Indian Affairs and the Pueblo of Laguna for the reclamation of the Jackpile-Paguate mine site requires the Pueblo of Laguna to contract with a Construction Management Contractor (CMC) to provide services particularly associated with an earth moving project and reclamation of low-level radioactive wastes of the size and scope of the Pueblo of Laguna project. On January 18, 1989, the Pueblo of Laguna entered into Modification No. One (1) of the Cooperative Agreement with the Bureau of Indian Affairs. Modification No. One revised the duties and responsibilities required of the CMC. In general, Modification No. One shifted more responsibility to the Reclamation Project Manager (RPM) in terms of administrative activities and to the Laguna Construction Company (LCC) in terms of procurement of equipment and start-up. The estimated savings from Modification No. One is between two and three million dollars.

On December 11, 1989, the Pueblo of Laguna entered into a Preliminary Agreement for Construction Management Services with Landmark Reclamation, Inc. The scope of work under that Preliminary Agreement included preparing annual construction operating plans, monitoring procurements exceeding \$25,000.00, monitoring the health and safety program, providing field inspection of construction activities, environmental monitoring, and certification of progress payments. As well, Landmark provides periodic cost and schedule analysis to the RPM to assure that its work packages conform to engineering designs and project operating plans, as well as to generally provide managerial and technical expertise to the RPM and the LCC.

The Preliminary Agreement terminates upon adoption of the following proposed Agreement for Construction Engineering Services between the Pueblo of Laguna and Landmark Reclamation, Inc.

### II. PROPOSED AGREEMENT FOR CONSTRUCTION ENGINEERING SERVICES BETWEEN PUEBLO OF LAGUNA (OWNER) AND LANDMARK RECLAMATION, INC. (CONTRACTOR)

A. CONTRACT TERM. The agreement shall terminate on November 30, 1990 with Contractor to submit a proposal for a one year extension.

B. CONTRACT PRICE. Contract is for time and materials.

(b) (4)

C. TERMS OF PAYMENT. Contractor submits to Owner on the 20th day of each month an itemized statement of services and Owner pays Contractor within ten (10) days of receipt of statement.

D. WORK TO BE PERFORMED. Under the agreement, Contractor is required to provide the following services and support to the Owner's RPM and LCC:

1. Monitor implementation and performance of the Health and Safety Plan;



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2. Provide periodic analysis of LCC's cost and schedule performance;
3. Assist RPM in the implementation execution of the Environmental Monitoring Plan, Regulatory Compliance Plan, Construction Inspection Plan and Annual Operating Plan;
4. Assist in issuing Monthly Progress Reports;
5. Assist in development and issuance of Change Orders;
6. Provide consulting services for re-design and field changes;
7. Assist in reviewing/processing LCC invoices for work performed;
8. Obtain sub-contracting services as requested by the Reclamation Project Engineer;
9. Provide third party verification of production volumes and other quantities for payment.

E. INSURANCE. Contractor shall maintain worker's compensation insurance as required by the State of New Mexico; comprehensive liability insurance (\$1,000,000.00 combined single limit bodily injury or property damage for each occurrence), automobile liability insurance (\$1,000,000.00).

F. INDEMNIFICATION. For bodily injury and property damage, Contractor shall hold Owner harmless for any claims of injury to persons or property due to the negligent acts of Contractor. Owner shall hold Contractor harmless for any claims for injury to persons or property due to Owner's negligent acts.

G. COMPLIANCE WITH LAWS AND REGULATION. Contractor is bound to comply with all tribal, federal, state and local laws, ordinance, rules and regulations, including safety requirements.

H. GUARANTEES. The Contractor guarantees that its work will meet with accepted standards of professional care, skill and diligence. The general guarantee will be effective for twelve months following acceptance by Owner of the Contractor's work. As to engineering design services provided by Contractor, the guarantee extends indefinitely.

I. DISPUTES. If there is a dispute between Owner and Contractor under the agreement, it shall be settled by arbitration and shall be binding upon the parties.

J. JURISDICTION. The parties agree to submit to the jurisdiction of the Federal District Court for the District of New Mexico for resolution of any disputes not covered by arbitration.

K. TERMINATION. The Owner may terminate the contract with or without cause with seven days notice to Contractor. Contractor may stop work and terminate the agreement only if the work under the contract is suspended by the Owner for a period of three months or if Owner fails to pay Contractor within thirty days after a sum owing the Contractor becomes due.

### III. AGREEMENT DOCUMENTS

Documents of this Agreement include the Agreement itself, Exhibit A (the general conditions, pages 1-40), Exhibit B which is the hourly rates of Contractor, Exhibit C - Personnel, any drawings or supplementary conditions, the Cooperative Agreement between the BIA and Pueblo of Laguna, Modifications, Landmark's Best and Final Offer (December 1, 1989), and the following plans:

1. Jackpile Project Management Plan
2. Jackpile Project Construction Inspection Plan
3. Jackpile Project Environmental Monitoring Plan
4. Jackpile Health and Safety Plan
5. Jackpile Project Regulatory Compliance Plan.

### IV. MODIFICATION NO. TWO (2) TO THE BIA/POL COOPERATIVE AGREEMENT

A modification to the BIA/POL Cooperative Agreement has been approved for the parties' approval. The Proposed Modification No. Two (2) tracks the construction of services to be provided by Landmark Reclamation, Inc. as described in the Agreement for Engineering Services between Pueblo of Laguna/Landmark Reclamation, Inc.

The estimated savings from the reduction of services needed to be provided by Landmark Reclamation, Inc is between (b) (4)